



HOUSE OF REPRESENTATIVES

STATE OF HAWAII
STATE CAPITOL
HONOLULU, HAWAII 96813

November 6, 2009

The Honorable Marie Laderta
Chair, Board of Trustees
Hawaii Employer-Union Health Benefits Trust Fund
201 Merchant Street, Suite 1520
Honolulu, Hawaii 96813


Dear Chair Laderta:

I am writing to express my serious concern about the current EUTF open enrollment process and the potentially devastating impact on state employees. My concerns are as follows:

- It is unclear from the materials active members are receiving that they must submit a Form EC-1 to remain with their current plan administrator. EUTF is now distributing a document that **expressly states that no action is needed** to continue with the same enrollments and plan designs. The Open Enrollment General Notice states that, "If you wish to continue with the same enrollments and plan designs you are currently enrolled in, no further action is necessary. . . If you have no choices to make to your health benefit and life insurance choices, do **not** submit a Form EC-1."
- As you know, for many years EUTF enrollees have never been automatically defaulted to another carrier. There are government workers who have gone their entire careers with the state and city and never had to take any action to retain the same coverage from one year to the next.
- Given this information, there is the risk that a significant number of enrollees will misinterpret this to mean that if they want to stay with their current health plan they do not have to do anything.
- To add to the confusion the Open Enrollment Notice normally generated prior to open enrollment is not going to be generated this year due to a computer programming error. As such, employees will not even have access to the normal information they receive which shows their current plan choices.
- Finally, recent events illustrate the negative response generated when people are automatically defaulted from their existing coverage. HSTA's decision to move its members to another health plan without enrollee consultation resulted in the union's having to conduct a special, additional open enrollment session to offer its members a choice of health plans.

Given these deficiencies I believe the current process will result in a disservice to EUTF enrollees and negatively affect the stable continuity of their health care, I request the Board consider suspending open enrollment activities until these issues can be resolved and addressed.

Sincerely,



Representative Ryan Yamane
Chair, Committee on Health

cc: Trustees, EUTF Board of Directors
James Williams, EUTF Administrator

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